



MEMORANDUM

TO: Dennis Fay
Alameda County Congestion Management Agency
FROM: CJ Strategies
RE: Legislative Update
DATE: April 30, 2009

FY10 Appropriations Process

The House and Senate approved a final budget resolution on April 29. With the congressional budget resolution completed, the focus now turns to the FY10 appropriations process and the actual funding of individual departments, agencies and programs. President Obama is expected to release his FY10 budget the week of May 4. (Congress was able to develop and adopt its budget resolution based on the budget "outline" Obama released back in February.) We will learn next week what the Administration is proposing in terms of funding levels and program priorities within the Department of Transportation.

Surface Transportation Reauthorization

The House Transportation & Infrastructure (T&I) Committee continues to work on moving the reauthorization of SAFETEA-LU forward. Committee staff has said the subcommittee could mark up a bill as early as the week of May 18th. Chairman Oberstar wants to have the bill on the floor later this spring and is intent on meeting the September 30th expiration deadline.

Funding the program continues to be a major focus---and hurdle. Chairman Oberstar met with Ways and Means Chairman Charles Rangel, on the gas tax/user fee issue, on April 28. The Ways and Means Committee will ultimately determine whether to increase taxes to fund transportation.

During a House T&I hearing regarding member projects on April 28, Chairman Oberstar suggested switching within two years from the current gasoline tax to a mileage-based tax, a stance that puts him at odds with the Obama administration. As you may recall, in February, Transportation Secretary Ray LaHood expressed interest in the concept — only to have the White House reject the idea.

Representative Earl Blumenauer (D- OR), who testified at Tuesday's hearing, suggested that the authorization bill include an expanded pilot program similar to one in Oregon that is testing

a mileage-based tax. Two commissions set up by the 2005 surface transportation law (PL 109-59) recommended a shift to a mileage-based tax, but over a 15- to 20-year time frame.

Moving to a tax based on mileage has raised privacy concerns by critics worried that mileage-compilation devices in autos could allow the government to track the movements of drivers and passengers.